

REMARKS

This Application has been carefully reviewed in light of the Office Action mailed on December 6, 2005 ("Office Action"). Claims 1-39 are pending in the application. Claims 5-20 and 24-39, the subject of an election restriction, are withdrawn from consideration without prejudice to refiling. Claims 1-4 and 21-23 stand rejected. Applicants respectfully request reconsideration and favorable action in this case.

Section 102 Rejections

The Office Action rejected Claims 1-4 and 21-23 under 35 U.S.C. § 102(b) as being anticipated by U.S. Patent No. 5,482,117 to Kolpak et al. ("*Kolpak*"). Applicants respectfully traverse this rejection and all assertions therein.

Claim 1, as amended, recites a fluid "separated into different water and oil components." *Kolpak* is a gas-liquid separator. *Kolpak*, Abstract, Summary. Accordingly, Applicants submit that Claim 1 and its dependent claims are allowable over the cited art and request this rejection be withdrawn.

Claim 21 recites "fluid flowing through the rotating member is subjected to centrifugal force such that the fluid is separated..." In *Kolpak*, the path "defined by baffle 56 to impose centrifugal forces on the gas-liquid mixture" is outside the elongated hollow tube 58. *Kolpak*, Col. 4, Lines 52-63 and Figure 2. Thus, fluid does not flow through the rotating member at the gas-liquid separator section 40. Moreover, in *Kolpak*, it is "gas separated from the fluid mixture flowing through the separator section 40" that flows "through an interior passage 85." *Kolpak*, Col. 5, Lines 24-27 and Figure 2. Accordingly, Applicants submit that Claim 21 and its dependent claims are allowable over the cited art and request this rejection be withdrawn.

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New Claims

Claims 40-42 are directed toward a method for downhole fluid separation using a rotating cylinder. Applicants submit no new matter is added. Applicants further submit that the claims are allowable for reasons analogous to those discussed above.

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CONCLUSION

Applicants have made an earnest attempt to place this case in condition for allowance. For the foregoing reasons, and for other reasons clearly apparent, Applicants respectfully request full allowance of all Claims.

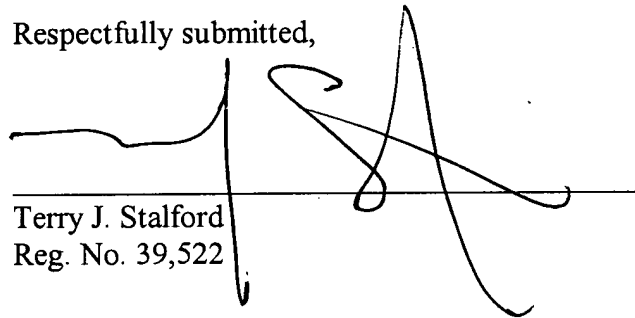
If the present application is not allowed and/or if one or more of the rejections is maintained, Applicants hereby request a telephone conference with the Examiner and further requests that the Examiner contact the undersigned attorney to schedule the telephone conference.

Enclosed is a check in the amount of \$150 for the additional claims. Please apply any deficiencies or any other required fees or any credits to deposit account 06-1050, referencing the attorney docket number shown above.

Date: March 6, 2006

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Respectfully submitted,



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